

COASTAL CONSERVANCY

Staff Recommendation

March 2, 2006

SIX RIVERS TO THE SEA: PRICE CREEK RANCH EASEMENT

File No. 05-078

Project Manager: Su Corbaley

RECOMMENDED ACTION: Authorization to amend the December 8, 2005 authorization for the disbursement of funds for acquisition of a conservation easement on the Price Ranch in Rio Dell, Humboldt County, in order to allow the Conservancy to use \$30,000 from that authorization to purchase an option to acquire the conservation easement.

LOCATION: West of Rio Dell, Humboldt County

PROGRAM CATEGORY: Integrated Marine and Coastal Resources Enhancement and Site Reservation

EXHIBITS

Exhibit 1: December 8, 2005 Staff Recommendation

Exhibit 2: Letter of Intent from Wildlife Conservation Board

Exhibit 3: Letter of Intent from California Dept. of Forestry and Fire Protection

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31220 and 31350 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the expenditure of \$30,000 of the funds previously authorized on December 8, 2005 for acquisition of a conservation easement on the Price Creek Ranch (Humboldt County Assessor’s Parcel Numbers 102-101-001, 106-161-011, 106-161-012, 106-161-013, 106-171-001, and 106-171-003) to purchase an option to secure the acquisition of the conservation easement. This authorization is subject to the condition that, prior to the disbursement of funds the Conservancy review, approve, and execute with the seller an agreement that outlines the terms of the purchase. ”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that the proposed authorization is consistent with Chapter 8 of Division 21 of the

Public Resources Code (Sections 31350 *et seq.*), regarding reservation of significant coastal resources, and remains consistent with Chapter 5.5 of Division 21 of the Public Resources Code (Section 31220 *et seq.*) regarding protection of coastal resources and with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”

PROJECT SUMMARY:

The proposed authorization would allow the Conservancy to secure an option to purchase a conservation easement on the Price Creek Ranch in Rio Dell, Humboldt County. On December 8, 2005, the Conservancy authorized the disbursement of up to \$1,000,000 (one million dollars) to the California Department of Forestry and Fire Protection (“CDF”) to enable it to acquire a conservation easement on the 1,280-acre Price Creek Ranch (Exhibit 1).

In addition to the Conservancy funds authorized for the acquisition of a conservation easement, funds for the acquisition will come from CDF through state and federal Forest Legacy funds, and from the Department of Fish and Game Wildlife Conservation Board (WCB). However, due to authorization schedules the Forest Legacy and WCB matching funds will not be available until June 2006, at the earliest. However, as stated in the December 8, 2005 staff recommendation, the property owner must be able satisfy financial affairs for the property in early 2006 or will be faced with continuing the harvest that occurred this fall in order to honor his outstanding financial obligations. Beyond affecting the existing forest stands on the property, additional timber harvest will require an amendment to the existing appraisal, delaying and/or putting into jeopardy the acquisition of the proposed easement, which will establish limits on timber harvest, premised on the current baseline of existing timber. In order to avoid additional timber harvest and its consequences, the proposed project would enable the Conservancy to utilize \$30,000 of the \$1,000,000 authorized in December 2005 to purchase and secure an option to buy a conservation easement. The option would, if exercised, require that the \$30,000 option purchase price be applied to the purchase price of the easement. Other terms of the option would include a prohibition on additional timber harvest on the property until the other funding agencies have an opportunity to consider and act on the recommendation for funding the easement acquisition.

There is the risk that the option will be acquired but, for reasons beyond the Conservancy control, such as the lack of approval of approval of needed funding from other sources, the easement acquisition is not realized and the \$30,000 option cost may be lost. Conservancy staff believes that the risk is small, however. Both the Forest Legacy and WCB funds are subject to approval by WCB. WCB staff has indicated its intention to recommend that its board authorize the acquisition of the conservation easement (see Exhibit 2), and CDF staff has indicated its commitment to funding this acquisition once funds are available (see Exhibit 3).

PROJECT FINANCING:

The \$30,000 to secure the option to purchase a conservation easement would come from the \$1,000,000 authorized on December 8, 2005. Therefore, this project does not involve additional funds.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

In addition to being undertaken pursuant to Chapter 5.5 of the Conservancy's enabling legislation as detailed in the December 8, 2006 staff recommendation, the project would be undertaken pursuant to Chapter 8 of the Conservancy's enabling legislation (Public Resources Code Section 31350 *et seq.*) regarding site reservation of significant coastal resources for the purposes of protecting open space for public enjoyment.

Under Sections 31352 and 31353, the Conservancy may acquire an option interest in real property where no other public entity or nonprofit organization is able under the circumstances to do so and where doing so will serve to protect and preserve interests in key coastal resources. For the reasons discussed above, the opportunity to acquire the Price Creek Ranch easement, which will protect the property from development and will limit forestry activities and preserve important riparian resources, may well be lost if the Conservancy does not acquire the option on behalf of the State. No other public agency or nonprofit organization is able to do so within the short timelines available and without re-working of the transaction.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) & OBJECTIVE(S); CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES; and COMPLIANCE WITH CEQA:

The change in the project proposed by this authorization does not alter the nature of the project and does not affect the conclusions made in the December 8, 2005 staff recommendation regarding its consistency with the Conservancy's goals, selection criteria and guidelines or its compliance with the California Environmental Protection Act.